



CAROLE  
MIGDEN  
San Francisco  
First District



BILL  
LEONARD  
Ontario  
Second District



CLAUDE  
PARRISH  
Santa Ana  
Third District



JOHN  
CHIANG  
Los Angeles  
Fourth District



STEVE  
WESTLY  
Sacramento  
State Controller

## Public Hearings

The members of the State Board of Equalization are committed to protecting the rights, privacy, and property of taxpayers. As a result, they schedule yearly public hearings throughout California. These hearings are an opportunity for taxpayers to express their ideas, concerns, and recommendations about programs and laws administered by the Board. Board Members are interested in suggestions that will help taxpayers better understand the tax laws.

## Taxpayers' Rights Advocate

The Board has appointed a Taxpayers' Rights Advocate to help resolve taxpayers' problems fairly and equitably. Reporting directly to the Executive Director, the Taxpayers' Rights Advocate can investigate complaints and delay certain Board actions until an investigation is completed. The telephone number of the Taxpayers' Rights Advocate is (916) 324-2798, toll free (888) 324-2798.

## Equalization Districts

### *District One*

Counties of: Alameda, Colusa, Contra Costa, Del Norte, Humboldt, Lake, Marin, Mendocino, Monterey, Napa, San Benito, San Francisco, San Luis Obispo, San Mateo, Santa Barbara (57.04%), Santa Clara, Santa Cruz, Solano, Sonoma, Trinity, Yolo.

### *District Two*

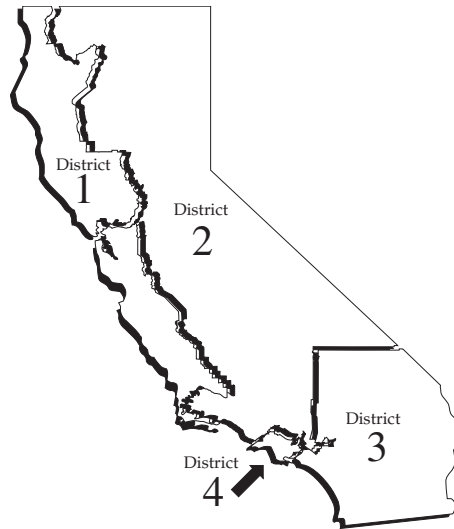
Counties of: Alpine, Amador, Butte, Calaveras, El Dorado, Fresno, Glenn, Inyo, Kern, Kings, Lassen, Los Angeles (8.98%), Madera, Mariposa, Merced, Modoc, Mono, Nevada, Placer, Plumas, Sacramento, San Bernardino (45.97%), San Joaquin, Santa Barbara (42.96%), Shasta, Sierra, Siskiyou, Stanislaus, Sutter, Tehama, Tulare, Tuolumne, Ventura, Yuba.

### *District Three*

Counties of: Imperial, Los Angeles (2.06%), Orange, Riverside, San Bernardino (54.03%), and San Diego

### *District Four*

County of Los Angeles (88.96%)



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For more than 100 years, the State Board of Equalization has administered taxes for the State of California. Today, the agency administers and collects the taxes of 29 tax programs, which in fiscal year 2001-02 resulted in \$40.48 billion in revenue for California's state and local governments. More than one million businesses in nearly every field of commercial activity are registered with the Board. The taxes they pay support schools, hospitals, police, roads, and a host of other essential services.



# California State Board of Equalization

## Members of the Board of Equalization

The Board of Equalization is directed by a five-member elected Board. Four members are elected directly from legislatively defined districts within the state and serve four-year terms. The fifth member, the State Controller, is elected at-large and serves in an *ex officio* capacity.

The Board acts in a quasi-judicial capacity as the appellate body for appeals from various business tax assessments, Franchise Tax Board actions, and public utility assessments. In its administrative capacity, the Board issues rules and regulations. Further, it sets the property values of utilities for tax purposes, sets the tax rate under various tax laws, and guides and evaluates the assessment practices of the state's 58 county assessors.

## Tax Programs

The tax programs administered by the Board of Equalization are concentrated in three general areas—sales and use taxes, property taxes, and special taxes. During the 2001-02 fiscal year these programs were responsible for generating \$40.48 billion in revenue for California's state and local government services.

## Sales and Use Tax

Retail sales of tangible personal property in California are, in general, subject to a 7.25 percent sales tax. The use tax, a complement to the sales tax, applies at the same rate for purchases for use in California. Voters in various localities have approved the creation of one or more special tax districts (each funded by transactions taxes ranging from one-eighth to one-half percent).

This added tax is used for mass transit programs, streets and roads, and other governmental services. In fiscal year 2001-02 the Board collected approximately \$26.01 billion in sales taxes for the state, \$5.53 billion for cities and counties, and \$2.86 billion for special districts.

## Property Taxes

Property taxes, which make up the major source of revenue for California's 58 counties, accounted for \$27.16 billion in revenue in fiscal year 2001-02. Although the Board does not assess local properties, it does oversee the assessment standards and practices of each county assessor. The Board, however, does directly assess properties belonging to over 400 privately owned public utilities. In turn, those assessed values are used by counties to collect local property taxes. Two property tax programs, the timber yield tax and the private railroad car tax, are directly administered by the Board.

## Special Taxes

The Board is the sole administrative agency for the following special tax programs: Cigarette and Tobacco Products Tax, Diesel Fuel Tax, Use Fuel Tax, Interstate User Tax, Energy Resources Surcharge, and Emergency Telephone Users Surcharge. The Board is one of several agencies charged with administration of the following special tax programs: Alcoholic Beverage Tax, Insurance Tax, Ballast Water Management Fee, Childhood Lead Poisoning Prevention Fee, Occupational Lead Poisoning Prevention Fee, Hazardous Substances Tax, Integrated Waste Management Fee, Motor Vehicle Fuel License Tax, Natural Gas

Surcharge, Oil Spill Response, Prevention and Administration Fees, Underground Storage Tank Maintenance Fee, and Tire Recycling Fee. Revenues collected for all special taxes programs totalled \$6.82 billion in 2001-02.

## Services for Taxpayers

The Board prides itself on being a leader in providing service-oriented programs and efficient tax administration (spending less than \$1 in administrative costs for each \$100 in revenue). The Board has developed many services that are designed to help taxpayers understand and comply with tax laws and to ensure that they are treated fairly and courteously. Some Board services include:

### INTERNET

Information about the Board and its tax programs, publications, tax news, and events is available via the internet. The Board's home page address is: **[www.boe.ca.gov](http://www.boe.ca.gov)**.

### INFORMATION CENTER

Customer service representatives are available to answer general tax questions and to take orders for forms and publications. Call 800-400-7115, Monday-Friday, 8:00 a.m. to 5:00 p.m., Pacific time, excluding State holidays.

Documents may also be ordered 24 hours a day, via our Fax-Back service or through voice mail message.

For more information about Board services, publication 51, *Guide to Board of Equalization Services*, may be obtained by calling the Information Center.